

The second is to put a new premium on making Canada internationally competitive, encouraging and supporting enterprise, investment and innovation.

The third is to pursue export opportunities, large and small, traditional or new, with renewed vigor.

And the fourth is to pull together more effectively, with a greater and more urgent sense of shared purpose than ever before. It is our intention to increase practical, working cooperation between the Federal and Provincial Governments, in trade promotion, as on other matters. We also intend to restore and develop the sense of team-work between the private sector and governments.

These are our guiding principles. The challenge is to make them work amid the economic and political realities in which we live. That is no easy task in any part of the world.

For Canada, business with the Arab world is vitally important. I don't wish to burden you with statistics but perhaps a few are justified to show just how significant is our trade with the area. From 1979 to 1982, exports of goods alone more than doubled, to reach two billion dollars. After a slight decline last year this upward trend has been resumed. These figures do not include exports of Canadian services, which are estimated to be worth an additional one billion dollars per year. Three countries of the region -- Algeria, Saudi Arabia and Egypt -- are among Canada's 20 largest markets in the world.

It is significant that 45% of our total exports to this area are in fully-manufactured goods -- far higher than the comparable proportion of Canadian exports to Asia, far higher even than for Western Europe, and rivalling the proportion of fully-manufactured items in our exports to the U.S. In the case of Saudi Arabia, almost all of our exports are either finished or